

4-1950

**CONFIDENTIAL**

JUN 4 1953

MEMORANDUM TO: Deputy Director (Administration)

SUBJECT: Adjustments of Overpayments Resulting from Retroactive Salary Increases

1. There is attached (Tab A) a listing of all personnel who were required to refund to the Agency overpayments resulting from retroactive application of the pay scales provided in Public Law 201, 82nd Congress. The net amount involved in each case and the arrangements made with the employee for the adjustment are indicated.

2. There is also attached (Tab B) a copy of a Memorandum for the Record dated 22 April 1953 concerning the meeting of Agency representatives with the General Accounting Office regarding these cases. Briefly, this meeting resulted in an agreement that the Comptroller General's decision requiring adjustments (B-106337) was applicable to CIA cases only during the period from 8 July 1951 through 23 October 1951. This decision substantially reduced the final amounts to be refunded as may be noted by comparing the second and third columns on the attached list.

3. Representatives of the Personnel Office and the Office of the Comptroller have discussed the necessity for adjustments and arrangements for payments with the employees listed who are assigned in the Washington area. In our discussions with these employees, we have expressed regret that the adjustments were required and indicated that the payments would be arranged as desired by the employee. It was also stated that any of these employees could discuss the matter with higher officials. None of those interviewed expressed a desire for such a discussion.

4. Deductions are being made from salaries due 5 June for the overseas employees affected. Explanatory letters have been prepared for delivery to them by [REDACTED] (Sample letter included as Tab C.) In the case of Miss [REDACTED] it was necessary to forward notification and a request for refund by personal check through a representative of WE Division since she could not be contacted directly. Letters have also been dispatched to the individuals listed who have resigned from the Agency. (Sample letter included as Tab D.).

[REDACTED]  
W. H. H. MORRIS, JR.  
Assistant Director (Personnel)

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IN CLASS 100 NO. 3 TO CHANGE  
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